

EXTENSIONS OF REMARKS

UNITED STATES—ORIGIN MILITARY EQUIPMENT IN TURKEY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1996

Mr. HAMILTON. Mr. Speaker, on September 8, 1995, I wrote to Secretary of State Christopher, asking several questions about the use and possible misuse of United States-origin military equipment by Turkey. This letter was a followup to an exchange of letters on the same issue earlier in the year, which I inserted in the RECORD at that time.

I have now received a response from the State Department to my September letter, which sets out the administration's position on the human rights situation in Turkey and its relationship to the issue of U.S.-supplied military equipment in the country.

Since I believe that other Members will find the administration's views informative and useful in formulating their own approach to this important issue, I would like to insert both my letter and the administration's response in the RECORD.

DEPARTMENT OF STATE,
Washington, February 29, 1996.

Hon. LEE HAMILTON,
U.S. House of Representatives.

DEAR MR. HAMILTON: This is a follow-up reply to your letter of September 8, 1995, to Secretary Christopher about human rights in Turkey. As stated in our November 1, 1995 interim response, you raised a number of serious questions in your letter. Thank you for your understanding in allowing us time to prepare this reply.

In your letter, you state that human rights abuses in Turkey are a matter of real concern to the U.S. Congress. We appreciate your interest and that of your colleagues in these issues. Congressional hearings, reports, and statements are a valuable way for the U.S. government to indicate concern about human rights in Turkey.

As we consider how best to pursue our objectives in Turkey, it is important to understand just what Turkey is up against. The Kurdistan Workers' Party (PKK) has stated that its primary goal is to create a separate Kurdish state in part of what is now Turkey. In the course of its operations, the PKK has frequently targeted Turkish—civilians. It has not hesitated to attack Western—including American—interests.

The Turkish government has the right to defend itself militarily from this terrorist threat. The Turkish military has said it seeks to distinguish between PKK members and ordinary Kurdish citizens in its operations. We remain concerned, nevertheless, about the manner in which some operations in the southeast have been conducted. As we have documented in our annual human rights reports and in the special report we submitted to Congress last June on the situation in the southeast, these operations have resulted in civilian deaths, village evacuations and burnings.

You ask what the U.S. is doing about information that U.S.-supplied defense articles may have been used by Turkey's military

against civilians during the course of operations against the PKK. We discussed those issues at length in our June "Report on Allegations of Human Rights Abuses by the Turkish Military and the Situation in Cyprus."

These reports trouble us deeply. We have frequently cautioned the Turkish government to exercise care that its legitimate military operations avoid targeting civilians and non-combatants. We have made it clear that, in accordance with both the Foreign Assistance and Arms Export Control Acts, human rights considerations will continue to be very carefully weighed in considering whether or not to approve transfers and sales of military equipment.

With regard to death squad activities in the southeast, as we stated in our report last June, we have found reports of government involvement in these incidents to be credible. Others have also been involved. In this regard, a number of Turkish "Hizbullah" terrorists are now on trial for alleged involvement in "mystery killings." According to Turkey's prestigious Human Rights Foundation, these sorts of killings were down sharply in 1995.

We have told the Turks repeatedly that we do not believe a solely military solution will end the problems in the southeast. We urge them to explore political and social solutions which are more likely to succeed over time. These should include fully equal rights—among them cultural and linguistic rights—for all of Turkey's citizens including the Kurds. We have been encouraged by incremental actions toward granting the Kurds such rights. For example, Turkey's High Court of Appeals ruled in October that Kurdish former members of Parliament had not committed crimes when they took their oaths in the Kurdish language, wore Kurdish colors, and stated that Turkish was a foreign language for them. The Appeals Court's decision on these matters, which are very sensitive and emotional in Turkey, may send an important signal to the lower courts and may help expand Kurdish rights.

We believe it is important for those individuals who have been displaced to be compensated for their losses and to be able to return to their homes without fear. If the security situation prevents their return, it is important for the villagers to be compensated and resettled elsewhere. Like you, we are disturbed by Turkey's failure to date to adequately provide for the displaced. We will encourage the new Turkish government to do so.

In the long run, an improved dialog between the government and Kurdish representatives is needed to bring a lasting solution to the southeast. It is important that those who purport to speak for the Kurds do so sincerely and constructively. In this context, you asked whether former DEP members of the Turkish Parliament who were stripped of their immunities and fled to Europe could speak for the Kurds. Unfortunately, some of them associated the "Kurdistan Parliament in Exile" (KPIE), which is financed and controlled by the PKK. We cannot, therefore, advocate negotiations with the so-called KPIE.

There are legitimate interlocutors with whom the government could discuss Kurdish concerns. Although the Pro-Kurdish People's Democracy Party (HADEP) fell substantially

short of obtaining the ten percent of the national vote required to take seats in the Turkish Grand National Assembly, the party campaigned well and carried a large number of votes in the southeast. In addition, other parties, politicians, academicians, businesspeople, and journalists also raised Kurdish concerns during the recent election campaign.

These developments are positive, and there are other signs that our active engagement with the Turks on human rights issues are meeting with success. The constitutional amendments enacted this past summer broadened political participation in several ways, including by enfranchising voters over eighteen and those residing outside of Turkey. There is also a move to devolve more authority from the central government to the local authorities. And, on October 27, the Turkish government—with encouragement from the U.S. and Europe—amended Article 8 of the Anti-Terror Law, which had been used to constrain freedom of expression substantially. As a result of this revision, over 130 people were released from prison and many pending cases are being dropped.

U.S. officials will continue to monitor closely human rights developments in Turkey. Our observations on Turkish human rights are the result of a constant, energetic effort by our Embassy and others in our government to stay informed. Our officials meet regularly with elected officials in the Turkish Administration and Parliament. We also speak frequently with critics of the government—including Turkish and international NGOs, bar and medical associations, lawyers, and other human rights activists. U.S. officials travel to the Southeast periodically where they see government officials and the affected parties.

We will also continue to encourage change by supporting those who are committed to human rights and democratic reforms, including Turkish NGOs. This is a long-term effort that will require continued engagement. The important point to keep in the forefront is that the real impetus behind democratic change in Turkey must come from Turkish citizens themselves. Our objective must be to give them all the constructive help we can.

I hope this information is useful. If I can be of further assistance, please do not hesitate to contact me.

Sincerely,

WENDY R. SHERMAN,
Assistant Secretary,
Legislative Affairs.

COMMITTEE ON INTERNATIONAL RELATIONS,
HOUSE OF REPRESENTATIVES,

Washington, September 8, 1995.

Hon. WARREN CHRISTOPHER,
Secretary of State, Department of State,
Washington, DC.

DEAR MR. SECRETARY: Thank you for your reply of August 15th to my letter of June 29th concerning the use and possible misuse of U.S.-origin military equipment by Turkey. I wanted to follow-up that correspondence with two general lines of questioning.

First, I continue to have deep concerns about the use of U.S.-supplied military equipment in Southeast Turkey and about the reports of the misuse of that equipment, the wholesale destruction of villages, and the

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

indiscriminate firing on civilian populations. Such abuses can erode support for Turkey in the Congress.

In your response to my letter, you indicated that internal security, along with self-defense is recognized as an acceptable use of U.S.-supplied defense articles but that the United States is troubled about reports that a large number of civilians have been killed in Turkish government counter-insurgency operations against the PKK. Questions remain:

What precisely are you doing about these reports?

Is it the U.S. policy, for example, to tell the Turks when we see reports of the destruction of villages or the killing of civilians, that we do not like it and cannot tolerate such abuses in the use of U.S.-supplied equipment?

What is the U.S. strategy to insure that such practices end?

Second, I have further questions regarding a related aspect of U.S. policy toward Turkey—resolution of the Kurdish issue in southeast Turkey.

There is considerable sympathy in Congress for the plight of the Kurdish population in Turkey, although none for terrorist acts by the Kurdish Worker's Party (PKK). I do not know of any Member support for Kurdish separatism or the break up of Turkey, but there is strong support for full equality of rights, including cultural and linguistic rights, for all Turkish citizens, including the Kurds. Members are troubled by the Turkish government's dominant reliance on force to put down the insurrection in the southeast, and would like to see the United States take a more active role in promoting negotiations among a broad base of Turkish citizens to end the violence.

I am concerned that if the present situation persists, the United States will have difficulty sustaining its Turkey policy. An amendment this summer to the Foreign Operations Appropriations bill in the House which limits aid to Turkey because of human rights concerns illustrates some of the problems that arise if these issues are not adequately addressed.

I understand that it is U.S. policy to support Turkey's territorial integrity and its legitimate right to combat terrorism, including terrorist acts by the PKK. I also understand that the U.S. supports democratic reform in Turkey as an integral part of the effort to improve human rights conditions and to undercut support for PKK violence. In this context, I would like to pose the following questions:

What is the United States doing to push efforts in Turkey to amend Article 8 of the antiterrorism law?

What are the implications for U.S. policy and for the situation in the Southeast if efforts to amend Article 8 fail or are abandoned?

What is the United States doing to promote efforts to provide Kurds with equal rights in Turkey? Is it United States policy to support the legitimate political, cultural and linguistic rights of Turkish citizens of the Southeast of Kurdish origin? How do you react to recent comments by senior Turkish officials that the extension of such rights are not a priority of the Turkish government?

In our human rights dialogue, is the U.S. pressing the Turkish government and General Staff to abandon tactics that target the Kurdish civilian population, such as forced evacuation and burning of Kurdish villages?

What is United States policy doing to address allegations that the Turkish government is either sponsoring or tolerating the activities of death squads reported to have killed hundreds of Kurdish activists in the southeast?

What is United States policy on meeting and dealing with the elected representatives of Turkish citizens in the Southeast regardless of whether they are able to sit in the National Assembly at this time? Does the United States support negotiations between several exiled Turkish Kurdish parliamentarians and the Turkish government? With whom do you think the Turkish Government should negotiate?

What kind of political engagement between the Turkish government and Kurdish nationalists does the United States seek to promote in order to encourage Turkey to move away from reliance on a solely military solution?

I look forward to your reply.

With best wishes,

Sincerely,

LEE H. HAMILTON,
Ranking Democratic Member.

THE ENTERPRISE RESOURCE BANK ACT OF 1996

HON. RICHARD H. BAKER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 27, 1996

Mr. BAKER of Louisiana. Mr. Speaker, today I am introducing comprehensive legislation to provide the Federal Home Loan Bank System [FHLB] the tools it needs to expand on the significant contributions it has already made to the Nation's housing finance delivery system. It is especially fitting today, as we debate the role of the Federal Government in providing and stimulating economic development in the 104th Congress, to work with an existing private entity to deliver a much-needed and public purpose.

The Federal Home Loan Bank System was established in 1932 primarily to provide a source of intermediate- and long-term credit for savings institutions to finance long-term residential mortgages and to provide a source of liquidity loans for such institutions, neither of which was readily available for savings institutions at that time the Federal Home Loan Bank System was created.

In recent years, the System's membership has expanded to include other depository institutions that are significant housing lenders.

The segment of savings institutions and other depository institutions that are specialized mortgage lenders has decreased in size and market share and may continue to decrease. The establishment of the Federal National Mortgage Association [Fannie Mae], the Federal Home Loan Mortgage Corporation [Freddie Mac], and the Government National Mortgage Association [Ginnie Mae], and the subsequent development of an extensive private secondary market for residential mortgages has challenged the Federal Home Loan Bank System as a source of intermediate- and long-term credit to support primary residential mortgage lenders.

For most depository institutions, residential mortgage lending has been incorporated into the product mix of community banking that typically provides a range of mortgage, consumer, and commercial loans in their communities.

Community banks, particularly those in rural markets, have a difficult time funding their intermediate- and long-term assets held in portfolio and accessing capital markets. For

example rural nonfarm businesses tend to rely heavily on community banks as their primary lender. Like the savings association in the 1930's these rural community banks draw most of their funds from local deposits. Longer term credit for many borrowers in rural areas may therefore be difficult to obtain. In short, the economy of rural America may benefit from increased completion if rural community banks are provided enhanced access to capital markets.

Access to liquidity through the FHLB System benefits well-managed, adequately capitalized community banks. For these banks, term advances reduce interest rate risk. In addition, the ability of a community bank to obtain advances to offset deposit decreases or to temporarily fund portfolios during an increase in loan demand reduces the bank's overall cost of operation and allows the institution to better serve their markets and community.

Used prudently, the FHLB System is an integral tool to assist properly regulated, well-capitalized community banks, particularly those who lend in rural areas and underserved neighborhoods, a more stable funding resource for intermediate- and long-term assets.

With that in mind, I have introduced this legislation today to enhance the utility of the Federal Home Loan Bank System. I want the mission of the System to remain strong in the ability to help Americans realize the dream of home ownership, but equally as important: I want the System to enrich the communities in which Americans build their dreams.

America is the world capital of free enterprise. Free enterprise is the foundation on which the American dream is built, and it is the engine by which American ingenuity is driven. My legislation will help nurture American free enterprise. That is why I call this bill the Enterprise Resource Bank Act.

The Enterprise Resource Bank Act will strengthen the System's mission to promote residential mortgage lending—including mortgages on housing for low- and moderate-income families. Enterprise Resource Banks will facilitate community and economic development lending, including rural economic development lending. And Enterprise Resource Banks will facilitate this lending safely and soundly, through a program of collateralized advances and other financial services that provide long-term funding, liquidity, and interest-rate risk management to its stockholders and certain nonmember mortgagees.

Since 1932, the Bank System has served as a link between the capital markets and local housing lenders, quietly making more money available for housing loans at better rates for Americans. Today the Federal Home Loan Banks' 5,700 member financial institutions provide for one out of every four mortgage loans outstanding in this country, including many loans that would not qualify for funding under secondary market criteria. The bank system accomplishes this without a penny of taxpayer money through an exemplary partnership between private capital and public purpose.

More than 3,500 of the bank system's current members are commercial banks, credit unions, and insurance companies that became eligible for bank membership in 1989. They demonstrate the market's value of the bank system by investing in the capital stock of the regional home loan banks. These institutions have recognized the advantages of access to